App. F. IX-4

Previous References

1933.

(SA)

File No. 176/33

Serial Nos. 1

Later References

SA 176-33(2-5)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1

Part B for February '34

SUBJECT.

Reduction of the rate of interest on annuities in the case of Compassionate gratuities.

S(1) To Comptroller for Heads of Depts
H 4614-78 of 7.2.34 -

Directs that the rate of interest on the above be reduced to 4 p.c. forthwith

28/2/34

2402
91

Serial No.

Compassionate Gratuity Rules

A According to para 8 of the Compassionate Gratuity Rules sanctioned in G O No. Fl 7418-77 S & A 252-28-4 dated 1st/3rd April 1929, if the amount of a compassionate gratuity is less than Rs 500, it will be paid in one instalment, and if it is Rs 500 or more, it will be converted into an Income Policy, according to the scheme sanctioned

B in G.O.No.Fl 2964-5 G F 192-27-6 dated 10/12th October 1928, the term of the annuity payable being left to the option of the payee, subject, however, to the condition that the term elected, should not be less than ten years.

2. It is ascertained from the Comptroller's office that instead of getting an Income Policy from the Insurance Office(State), a Pension payment order is issued, the annuity being calculated in accordance with the rules for the issue of the Mysore State Income policies.

B 3 From Rule 5(6) of the Income policy rules, it will be seen that the rate of interest for calculation of periodical payments is fixed at 4½% per annum. In the present cheap condition of the money market, this rate is rather high and it appears desirable to reduce the rate to 4 per cent per annum, in future cases.

4. Rule 5(6) referred to above also lays down that when there is need for altering it(present rate of interest), the rate will be changed without notice, but annuity contracts or income policies purchased prior to the date of alteration will not be affected by the revision in the rate of interest.

5. If approved, the Insurance Committee will be asked to reduce the rate of interest to 4 per cent per annum in the case of future Income policies, and the Comptroller asked to calculate the periodical payments on account

WD 0434—GPB—15,000—12-10-33

2102

SJM File No. 176 of 1933

General and Revenue Secretariat

Serial No.

of Compassionate gratuity, allowing interest at 4 per cent per annum(instead of 4½ per cent as hitherto), in respect of all pending and future cases of Compassionate Gratuity.

DAWN OFFICE
3 FEB. 1934
No. 4994

2-2-34

H Seey) 2/2/34.

It is not I think necessary for the Insurance office to change its rates to a 4% basis, as the number of annuities sanctioned by the Insurance is not more than 2 or 3. When the scheme becomes popular it will be time to consider its reduction - It will be a good thing if the scheme attains greater popularity now, on account of the prevailing low rates of interest.

So far as Compassionate gratuities are concerned — and these are now paid by the Comptr's office direct without the intervention of the Insurance office — an order may be issued that in future the annuity payable may be on a 4% basis and not on 4½% as at present - As this is a purely discretionary payment by Government, the reduction of rate is quite justified - It will apply only to future cases sanctioned in future

Dewan

2/2/34.

3.2.34.

3-2-34

5/2/34

Serial No.	
	Draft Ec submtd for approval of the Fe: Sec'y
	7-2-34 7/2 7.2.34
	Fe 4614-73 of 7/2/34
1	To the Comptroller to Govt " Secy Insurance committee " Secy to Govt " other Hds of Depts " Dy Comrs of Posts.
	Directs that until further orders the rate of interest for calculating annuities in the case of compassionate gratuities will be 4%.
	B W

NOTE—Contn. Sheet.

WD 0434—GPB—15,000—12-10-33

G.R.S. App. F VI—G 2]

SUBJECT .....

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10 copies

Diary No. of letter replied to .....

Section 5+A

File No. 176-33

Serial No. 1

General and Revenue Secretariat

( )

the 193 .

Proceedings of the Government of His Highness the Maharaja of Mysore.

Date of issue 7/2/ 1934.

Signed by Mr KVR

B

Read—

Para 5(b) of G.O. No 7E 131-88 & 7E 192-27-28 12 May 1928 fixing the rate of interest on Income Policies at 4½% p.a

Para 8 of G.O. No 7E 7418-77/81 A 252-28-4 & 1/3 Apl 1929 fixing a minimum amount of compassionate gratuity at 500/- for payt of instalments by converting it into a Spl. Pension.

Para 8 of G.O. no. 7E 7418-77 & 1.4.29 / 5+a 252-28-4 directing that when the amount of compassionate gratuity is Rs 500 or more, it will be converted into an income policy according to the scheme sanctioned in the G.O. of 10/12. 10. 1928.

May this be

(i) printed ?

(ii) treated as a standing order ?

(iii) published in the Gazette, English Part ?

(iv) translated ?

(v) placed at the disposal of the press ?

(vi) published in the Gazette, Kannada Part ?

Order thereon.—No. 7E 4614-73

Govt direct that ~~in future~~ until further orders, ~~that~~ the rate of ~~so far as Compassionate gratuities~~ gratuities are concerned the rate of interest on annuities payable ~~of~~ ~~calculated on the basis of~~ 4% instead of 4½% as at present.

7/2/34

H. Secy to Govt

To The comptroller to Govt
The Secy Insurance Committee
The Secretaries to Govt
The other Hon'ble Depts
The Dy Comrs of Dists

interest for calculating annuities in the case of Compassionate gratuities sanctioned hereafter, will be

Print as text as G.O.

Proceedings of the Government of His Highness

the Maharaja of Mysore.

Read:-

Para 5 (b) of Government Order No.Fi.0781-6808/C.F. 192-27-8 dated 19th May 1928 fixing the rate of interest on Income Policies at 4½ per annum.

Para 8 of Government Order No.Fi.7418-77/S&A.262-28-1 dated 1st April 1929 directing that when the amount of - compassionate gratuity is Rs.500 or more, it will be - converted into an income policy according to the scheme sanctioned in the Government Order of 10/18th October 1928.

Order No. 24614-23/S&A 126-33-1

Bangalore, dated the 7th February 1934.

Government direct that until further orders, the rate of interest for calculating annuities in the case of compassionate gratuities sanctioned hereafter, will be 4% instead of 4½% as at present.

K Venkata Rao

for Financial Secretary to Government.

To

The Comptroller to Government.
The Secretary, Insurance Committee.
The Secretaries to Government.
The Other Heads of Departments.
The Deputy Commissioners of Districts.

S. O.

Government of his highness the Maharaja of Mysore.

FINANCIAL DEPARTMENT.

G. O. No. Fl. 4614-73—S. & A. 176-33-1, dated 7th February 1934.

Interest on Annuities.

Orders that the —— be reduced to 4 per cent in the case of compassionate gratuities.

READ—

Para 5 (b) of Government Order No. Fl. 8751-8808—G. F. 192-27-2, dated 12th May 1928, fixing the rate of interest on Income Policies at 4½ per cent per annum.

Para 8 of Government Order No. Fl. 7418-77—S. & A. 252-28-4, dated 1st April 1929, directing that when the amount of compassionate gratuity is Rs. 500 or more, it will be converted into an income policy according to the scheme sanctioned in the Government Order of 10—12th October 1928.

ORDER NO. FL. 4614-73—S. & A. 176-33-1, DATED BANGALORE, THE 7TH FEBRUARY 1934.

Government direct that until further orders, the rate of interest for calculating annuities in the case of compassionate gratuities sanctioned hereafter, will be 4 per cent per annum instead of 4½ per cent as at present.

Secretary to Government,
Financial Department.

To—The Comptroller to Government.
The Secretary, Insurance Committee.
The Secretaries to Government.
The other Heads of Departments.
The Deputy Commissioners of Districts.
The Presidents of Municipalities.
The Presidents of District Boards.
The President of Kolar Gold Fields Sanitary Board.

Exd.—C. K.

W D 1528—GPB—765—20-2-34